Cathy Noh

From:

Cathy Noh [cathy.noh@saylorcompany.com]

Sent:

Tuesday, January 19, 2010 12:48 PM

Subject: Attachments: Issues Points Memo Interview with Doug Bandow, Senior Fellow at the Cato Institute

Issues Points Memo-Doug Bandow 01-19-10.pdf

Please consider the attached Issues Points Memo interview with Doug Bandow, Senior fellow at the Cato Institute. Further commentary from Mr. Bandow is available at http://www.nationalinterest.org/Article.aspx?id=22774. Further information on Abkhazia may be found at www.republicofabkhazia.org. Additional information on South Ossetia may be found at www.republicofsouthossetia.org. As usual, feel free to contact me for any assistance you may need in dealing with either government.

Below, we've selected some highlights from Mr. Bandow's interview for you:

"I believe it is dangerous to talk about increased military sales to Georgia."

"Basically, NATO and the U.S. have inadvertently promoted the very results which they opposea more active Russia, more willing to use military force."

"Isolating Abkhazia and South Ossetia is not likely to improve the situation."

"Georgia has to take the lead and until we see some willingness on Tbilisi's part to compromise, it's hard to imagine that we are going to see much progress."

Thank you,

Steve Ellis

SAYLOR COMPANY

PUBLIC RELATIONS COUNSEL

Steven Ellis Principal

+1 202.715.1448 - Office

+1 202.621.4076 - Mobile

steven.ellis@saylorcompany.com

This material is circulated by Saylor Company on behalf of the Republic of South Ossetia and the Republic of Abkhazia, for which Saylor Company is registered under the Foreign Agents Registration Act with the Department of Justice, Washington, D.C. Copies of this material and additional information are on file with the Department of Justice.

PUBLIC RELATIONS COUNSEL

From:

Steve Ellis, Saylor Company, +1 202-715-1448 or steven.ellis@saylorcompany.com

Issues Points Memo interview with Doug Bandow, Senior Fellow with the Cato institute Subject:

in Washington, D.C.

Please consider the following interview, which Saylor Company is sending to you on behalf of its clients, the republics of Abkhazia and South Ossetia. If you have questions or comments, please contact me. You may quote anything from the interview if you wish.

IP:

What is your assessment of the current situation in the Caucasus?

Bandow:

The situation remains relatively unstable with relations between Georgia and Russia, and Georgia and Abkhazia and South Ossetia, continuing to be very negative. The political situation in Georgia remains rather unstable as well. President Mikhell Saakashvikli is under domestic political pressure and appears determined to press ahead with an aggressive stance towards the seceding territories and towards Moscow. So there is reason for concern.

IP:

U.S. Senator Richard Lugar, who is the Ranking Minority Member of the Senate Foreign Relations Committee, recently released a report that calls on the U.S. and NATO to craft a "comprehensive, transparent approach to security assistance and military sales in the region" that would include resumption in the arms sales halted after the August 2008 war. Do you agree or disagree with Sen. Lugar's recommendation and why?

Bandow:

I believe it is dangerous to talk about increased military sales to Georgia. I'm not saying that the US should forgo in principle providing defensive weapons to countries if they are involved in potential conflict situations, but weapons should not be provided to parties which show aggressive intent. Look at the contrast between Taiwan and Georgia. The Obama Administration is preparing a new weapons package for Taiwan, which makes a lot of sense in terms of empowering Taiwan to defend itself against China. But no one believes Taiwan is likely to start a war. Unfortunately, we have seen that Georgia is a relatively aggressive party—a smaller country seeking American aid and protection while quite willing to trigger a war. Therefore it's dangerous for Washington to step into that situation talking about providing arms shipments and further security assistance until the political situation has been worked out or at least until there is a more responsible party to deal with in Tbilisi.

IP:

How has the extensive U.S. and NATO political and military support for Georgia impacted the security situation in the region, particularly Russia's policy towards it neighbors?

This material is circulated by Saylor Company on behalf of the Republic of Abkhozia and the Republic of South Ossetia, for which Saylor Company is registered under the Foreign Agents Registration Act with the Department of Justice, Washington, D.C. Copies of this moterial and additional information are on file with the Deportment of Justice.

PUBLIC RELATIONS COUNSEL

Bandow:

For understandable reasons, Russia views its border as being critical to its security. One may or may not believe that Russia is correct in that assessment, as well as its policy towards Georgia, but they are today's reality. The U.S. and NATO have basically inserted themselves into issues that, from Moscow's standpoint, are strategically vital. It's as if the Warsaw Pact was making alliance arrangements with Latin American countries against America. Washington would find that to be very offensive. Something similar was, in fact, the case in the early 60s with Moscow's relationship with Cuba. So, unfortunately, the U.S. and NATO have given the Russians reason to be concerned, intervene, and be active militarily. Basically, NATO and the U.S. have inadvertently promoted the very results which they oppose—a more active Russia, more willing to use military force. Consequently, I believe the U.S. and NATO should be much more willing to accept the fact that Russia has legitimate security interests, and more willing to work with Russia in the context of those interests.

IP:

The Obama Administration, like the Bush Administration, has refused to recognize the independence of the Republics of Abkhazia and South Ossetia and has supported Georgia's diplomatic and economic embargo of the two countries. What are the implications of this policy for the region?

Bandow:

Isolating Abkhazia and South Ossetia is not likely to improve the situation. The question of who recognizes whom is a very political act. We obviously have the issue of Kosovo where 60 or so countries worldwide have recognized Kosovo. The Russians have not, and they will veto any proposal for the UN to grant membership. The United States and many—though not all—European countries brought this result about by treating Russian interests in Kosovo dismissively. The U.S. and the West were quite willing to dismantle Serbia arbitrarily. So they don't have a lot of credibility in complaining about Russian behavior in the Caucasus. About the only practical step they can take is to deny recognition to Abkhazia and South Ossetia. We need a serious negotiating process, through which Western countries expand economic relations and open up some political dialogue with Abkhazia and South Ossetia. Current policy is not likely to promote negotiation and a peaceful settlement of any sort.

IP:

Several governments have joined Russia in recognizing the governments of South Ossetia and Abkhazia. As these governments gain greater legitimacy, they are even less likely to agree to return to Georgian control. How do you see this situation unfolding?

This material is circulated by Saylor Company on behalf of the Republic of Abkhazia and the Republic of South Ossetia, for which Saylor Company is registered under the Foreign Agents Registration Act with the Department of Justice, Washington, D.C. Copies of this material and additional information are on file with the Department of Justice.

PUBLIC RELATIONS COUNSEL

Bandow:

I hesitate to predict what the residents of Abkhazia and South Ossetia will do. For them to return to Georgia probably would require, in terms of federalism, autonomy and other issues, concessions that the current Georgian central government is unlikely to make. The underlying conflicts involving both South Ossetia and Abkhazia began well before creation of the new nation of Georgia. Thus, honey is going to be a lot more effective in terms of attracting residents of these areas than threatening more war and conflict. Clearly, there needs to be an accommodation that reduces tensions. That is going to require Georgia—as well as Abkhazia and South Ossetia— to make some concessions. But Georgia has to take the lead and until we see some willingness on Tbilisi's part to compromise, it's hard to imagine that we are going to see much progress.

IP:

Abkhazia has just conducted a presidential election in which more than 70 percent of its voters participated and in which five candidates competed. Whether or not some nations recognize the validity of this election, it was carried out peacefully, openly, and in full view of many international observers and journalists. What are your thoughts on the legitimacy of the recent election and the progress Abkhazia has made in nation building?

Bandow:

Abkhazia is a small territory. Turning it into a widely accepted country won't be easy. It's obviously going to continue to remain reliant on Russia. Most countries will remain hesitant to grant recognition. So Abkhazia's campaign to attain international legitimacy will remain a challenge. Yet, having a peaceful election, where the results are accepted as valid and legitimate, is a very important step. Let's consider the US experience in Afghanistan. We have there a government that is widely seen as winning reelection through fraud, and that is a problem for both countries. For Abkhazia to gain international acceptance, the first step is convincing the world that it is democratically governed. A positive election result will be helpful but alone will not be enough. Northern Cyprus has democratic elections and remains largely isolated from the international community—supported by Turkey but not recognized by other countries. Nevertheless, it has achieved a certain amount of acceptance and is engaged in serious negotiations with the Republic of Cyprus on a variety of issues. That may be the direction in which Abkhazia can hope to move. If the people there are able to create a stable, democratic, prosperous system, they may be in a position to say to the international community: "we've succeeded in creating a de facto nation and we therefore deserve to have some form of recognition." Then they might gain acceptance of some kind from other nations. It will be a long process, but it is possible. Therefore the recent election would seem to be a step in the right direction.

മ

This material is circulated by Saylor Company on behalf of the Republic of Abkhazla and the Republic of South Ossetia, for which Soyling Company is registered under the Foreign Agents Registration Act with the Department of Justice, Washington, D.C. Copies of this material and additional information are on file with the Department of Justice.

PUBLIC RELATIONS COUNSEL

IP:

If oil is discovered in the Black Sea off Abkhazia's coast, do you think that will change the geopolitical situation in the region? If so, in what ways?

Bandow:

That obviously would increase the interest of a lot of parties in creating a stable and peaceful situation and establishing some kind of generally accepted legal regime in order to develop those resources. So any energy discovery would put pressure on the Western powers to find an accommodation, which in turn would encourage them to press Georgia to compromise and reach a *modus Vivendi* with Abkhazia, South Ossetia, and Russia in order to stabilize the Caucasus. The desire to have stable access to energy resources has a way of concentrating peoples' minds politically around the world. I suspect it would do so in this case as well. Oil companies do not like to operate in unstable geopolitical environments in which war can break out. So everyone would suddenly have a big economic interest in trying to find an accommodation. What it would look like, I can't predict. Still, all the powers in the region might find some form of accommodation that was realistic and mutually beneficial. As complicated as it could prove to be, a major energy discovery might end up being tremendously helpful in promoting peace.

IP:

Thank you, Mr. Bandow.

Doug Bandow is a senior fellow at the Cato Institute, specializing in foreign policy and civil liberties. He worked as special assistant to President Reagan and editor of the political magazine *Inquiry*. He writes regularly for leading publications such as *Fortune* magazine and speaks frequently at academic conferences, on college campuses, and to business groups. Bandow has been a regular commentator on ABC, CBS, NBC, CNN, Fox News Channel, and MSNBC. He holds a J.D. from Stanford University.

For further commentary from Mr. Bandow, please visit http://www.nationalinterest.org/Article.aspx?id=22774

lor Company fes of this

This material is circulated by Saylor Company on behalf of the Republic of Abkhazia and the Republic of South Ossetia, for which Saylor Company is registered under the Foreign Agents Registration Act with the Department of Justice, Washington, D.C. Copies of this material and additional information are on file with the Department of Justice.